

I oppose loosening the rules designed to promote and protect diversity of media ownership. These rules were adopted to ensure that the public would receive a diverse range of viewpoints from the media, and not simply the opinions of a handful of media conglomerates. The cable ownership

cap is a crucial element of our democratic media, and it should not be weakened.

In 1992 Congress enacted legislation designed to limit the power of the largest cable companies to control programming. As noted by the FCC in this proceeding, "Congress was concerned about concentration of the media in the hands of a few who could control the dissemination~" of television programming. Today, with cable reaching two-thirds of the nation's households, and fewer than 10 companies controlling over 80 percent of that market, these basic safeguards are more important than ever.

Today, 85% of American households, including my own, have only one choice for cable service. But an ever-decreasing handful of giant companies are dominating the cable industry. For example, right now two companies-AT&T and AOL Time Warner-control almost 50 percent of all cable TV households. And with the expected sale of AT&T's cable systems to Comcast or AOLTV, the concentration of cable ownership will only increase. The monopoly that cable companies now have with "multi-channel television," as cable programming services such as CNN and MTV are called, will soon be extended into the Internet as well, with broadband access tightly controlled by a handful of cable giants.

The FCC doesn't appear to recognize either the level of concentration in the cable industry today, or the threat posed by the hold that a handful of large cable companies has over most cable programmers. In the 1980's, for example, cable companies used their control over program distribution to force multi-channel programmers to severely restrict their sales to competing buyers, such as individuals with satellite dishes. As a result, cable subscribers have seen unchecked rate increases because potential competitors, such as direct-broadcast satellite services, are constrained by artificially high subscription fees.

The programmers keep their subscription fees high to ensure that DBS cannot effectively compete with cable, so that cable companies will continue to carry their programming.

The FCC cites economists who claim that there are "positive effects" of cable concentration, including innovation, more efficient program production, and ability to offer consumers "lower rates." Now really, that doesn't even pass the guffaw test. Every introductory economics class teaches that it is competition, not concentration, that promotes innovation, efficiency, and lower rates.

Finally, cable companies will also control access to much of the broadband Internet market. If the cable industry's opposition to an "open access" policy of

non-discrimination prevails, cable operators will be able to shape the architecture of broadband to suit their needs. They could easily block access to

anything on the World Wide Web that offered a point of view opposed by the cable company's management and/or investors. The FCC must not allow the First Amendment to be so perverted.